

As Introduced

136th General Assembly

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H. B. No. 133

Representative Craig

**Cosponsors: Representatives Brennan, Daniels, Deeter, Fischer, Hiner, King,
Thomas, D., White, A., Williams**

To amend section 5747.98 and to enact section	1
5747.87 of the Revised Code to authorize a	2
nonrefundable income tax credit for small	3
employers that cover their employees with an	4
individual coverage health reimbursement	5
arrangement.	6

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 5747.98 be amended and section	7
5747.87 of the Revised Code be enacted to read as follows:	8

<u>Sec. 5747.87.</u> (A) As used in this section, "individual	9
coverage health reimbursement arrangement" means a health	10
reimbursement arrangement established pursuant to 45 C.F.R.	11
<u>146.123.</u>	12

(B) There is allowed a nonrefundable credit against a	13
taxpayer's aggregate tax liability under section 5747.02 of the	14
Revised Code for a taxpayer that, during the taxable year is	15
<u>either of the following:</u>	16

(1) <u>An employer that employs more than one and less than</u>	17
<u>fifty-one total employees, cumulatively and regardless of any</u>	18

particular employee's length of tenure, provides an individual 19
coverage health reimbursement arrangement to some or all of the 20
employer's employees, and contributes at least four hundred 21
dollars per employee to that arrangement during the taxable 22
year; 23

(2) The owner of a direct or indirect interest in such an 24
employer that is a pass-through entity. 25

The credit shall equal four hundred dollars multiplied by 26
the number of the employer's employees who were provided 27
benefits under an individual coverage health reimbursement 28
arrangement, cumulatively and regardless of any particular 29
employee's length of tenure, during the taxpayer's taxable year. 30

The credit shall be claimed in the order prescribed by 31
section 5747.98 of the Revised Code. A taxpayer described in 32
division (B) (2) of this section may claim its proportionate or 33
distributive share of the credit allowed under this section. 34

The tax commissioner may request that a taxpayer claiming 35
a credit under this section furnish information as is necessary 36
to support the claim for the credit under this section, and no 37
credit shall be allowed unless the requested information is 38
provided. 39

Sec. 5747.98. (A) To provide a uniform procedure for 40
calculating a taxpayer's aggregate tax liability under section 41
5747.02 of the Revised Code, a taxpayer shall claim any credits 42
to which the taxpayer is entitled in the following order: 43

Either the retirement income credit under division (B) of 44
section 5747.055 of the Revised Code or the lump sum retirement 45
income credits under divisions (C), (D), and (E) of that 46
section; 47

Either the senior citizen credit under division (F) of 48
section 5747.055 of the Revised Code or the lump sum 49
distribution credit under division (G) of that section; 50

The dependent care credit under section 5747.054 of the 51
Revised Code; 52

The credit for displaced workers who pay for job training 53
under section 5747.27 of the Revised Code; 54

The campaign contribution credit under section 5747.29 of 55
the Revised Code; 56

The twenty-dollar personal exemption credit under section 57
5747.022 of the Revised Code; 58

The joint filing credit under division ~~(G)~~(E) of section 59
5747.05 of the Revised Code; 60

The earned income credit under section 5747.71 of the 61
Revised Code; 62

The nonrefundable credit for education expenses under 63
section 5747.72 of the Revised Code; 64

The nonrefundable credit for donations to scholarship 65
granting organizations under section 5747.73 of the Revised 66
Code; 67

The nonrefundable credit for tuition paid to a 68
nonchartered nonpublic school under section 5747.75 of the 69
Revised Code; 70

The nonrefundable vocational job credit under section 71
5747.057 of the Revised Code; 72

The nonrefundable individual coverage health reimbursement 73
arrangement credit under section 5747.87 of the Revised Code; 74

The nonrefundable job retention credit under division (B)	75
of section 5747.058 of the Revised Code;	76
The enterprise zone credit under section 5709.66 of the	77
Revised Code;	78
The credit for beginning farmers who participate in a	79
financial management program under division (B) of section	80
5747.77 of the Revised Code;	81
The credit for commercial vehicle operator training	82
expenses under section 5747.82 of the Revised Code;	83
The nonrefundable welcome home Ohio (WHO) program credit	84
under section 122.633 of the Revised Code;	85
The credit for selling or renting agricultural assets to	86
beginning farmers under division (A) of section 5747.77 of the	87
Revised Code;	88
The credit for purchases of qualifying grape production	89
property under section 5747.28 of the Revised Code;	90
The small business investment credit under section 5747.81	91
of the Revised Code;	92
The nonrefundable lead abatement credit under section	93
5747.26 of the Revised Code;	94
The opportunity zone investment credit under section	95
5747.86 of the Revised Code;	96
The enterprise zone credits under section 5709.65 of the	97
Revised Code;	98
The research and development credit under section 5747.331	99
of the Revised Code;	100
The credit for rehabilitating a historic building under	101

section 5747.76 of the Revised Code;	102
The nonrefundable Ohio low-income housing tax credit under	103
section 5747.83 of the Revised Code;	104
The nonrefundable affordable single-family home credit	105
under section 5747.84 of the Revised Code;	106
The nonresident credit under division (A) of section	107
5747.05 of the Revised Code;	108
The credit for a resident's out-of-state income under	109
division (B) of section 5747.05 of the Revised Code;	110
The refundable motion picture and Broadway theatrical	111
production credit under section 5747.66 of the Revised Code;	112
The refundable credit for film and theater capital	113
improvement projects under section 5747.67 of the Revised Code;	114
The refundable jobs creation credit or job retention	115
credit under division (A) of section 5747.058 of the Revised	116
Code;	117
The refundable credit for taxes paid by a qualifying	118
entity granted under section 5747.059 of the Revised Code;	119
The refundable credits for taxes paid by a qualifying	120
pass-through entity granted under division (I) of section	121
5747.08 of the Revised Code;	122
The refundable credit under section 5747.80 of the Revised	123
Code for losses on loans made to the Ohio venture capital	124
program under sections 150.01 to 150.10 of the Revised Code;	125
The refundable credit for rehabilitating a historic	126
building under section 5747.76 of the Revised Code;	127
The refundable credit under section 5747.39 of the Revised	128

Code for taxes levied under section 5747.38 of the Revised Code 129
paid by an electing pass-through entity. 130

(B) For any credit, except the refundable credits 131
enumerated in this section and the credit granted under division 132
(H) of section 5747.08 of the Revised Code, the amount of the 133
credit for a taxable year shall not exceed the taxpayer's 134
aggregate amount of tax due under section 5747.02 of the Revised 135
Code, after allowing for any other credit that precedes it in 136
the order required under this section. Any excess amount of a 137
particular credit may be carried forward if authorized under the 138
section creating that credit. Nothing in this chapter shall be 139
construed to allow a taxpayer to claim, directly or indirectly, 140
a credit more than once for a taxable year. 141

Section 2. That existing section 5747.98 of the Revised 142
Code is hereby repealed. 143

Section 3. The enactment of section 5747.87 of the Revised 144
Code by this act applies to taxable years ending on or after the 145
effective date of this section. 146